(c) INCREASE **IN CADET AND** MIDSHIPMAN PAY.—Effective on Effective date.
January **1. 1990. section 203(cXD of title 37, United States Code. is amended by striking out** "$525" and **inserting in lieu thereof** "$543.90".

SEC. **602.** LIMITATION ON ADJUSTMENTS IN VARIABLE HOUSING ALLOWANCE

(a) LIMITATION.—Section 403a(cX2) of title 37, United States Code, is amended by inserting before the period the following: ", except that the monthly amount of a variable housing allowance for a *member* may not be reduced to the extent that the total of basic pay, basic allowance for quarters, basic allowance for subsistence, and variable housing allowance of the member is reduced, as a result of such a reduction, below the monthly total of those items for the month preceding the effective date of the most recent increase in the rate of basic pay of the member".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990. 37 USC 403a note.

PART B—BONUSES AND SPECIAL AND INCENTIVE **PAY**

SEC. 611. INCREASE IN SELECTIVE REENLISTMENT BONUS

(a) INCREASE IN SELECTIVE REENLISTMENT BONUS.—Section 308(a) of title 37. United States Code. is amended—

(1) by striking out "paid a bonus," in paragraph (1) and all that follows in that paragraph and inserting in lieu thereof "paid a bonus as provided in paragraph (2).";

(2) by redesignating paragraph (2) as paragraph (4) and in that paragraph striking out "of this subsection"; and

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) The bonus to be paid under paragraph (1) may not exceed the lesser of the following amounts:

"(A) The amount equal to the product of—

"(i) ten times the monthly rate of basic pay to which the member was entitled at the time of the discharge or release of the member; and

"(ii) the number of years (or the monthly fractions thereof) of the term of reenlistment or extension of enlistment, not to exceed six.

"(B) $45,000.

"(3) Any portion of a term of reenlistment or extension of enlist-

ment of a member that, when added to the total years of service of the member at the time of discharge or release, exceeds 16 years may not be used in computing a bonus under paragraph (2)(A)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to reenlistment and extension of enlistment agreements entered into under section 308(a) of title 37, United States Code, after September 30, 1989. 37 USC 308 note.

SEC. 612. ENLISTMENT BONUS FOR MEMBERS IN SKILLS DESIGNATED AS CRITICAL.

(a) INCREASE IN AUTHORIZED BONUS AND FIRST INSTALLMENT.—Section 308a(a) of title 37, United States Code, is amended—

(1) by striking out "$8,000" in the first sentence and inserting in lieu thereof "$12,000"; and